GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5055
ANSWERED ON:31.03.2017
Discontinuation of Central Schemes
Kashyap Shri Virender

Will the Minister of FINANCE be pleased to state:

a) whether the Government has discontinued several Centrally Sponsored programmes/schemes being implemented in States/UTs after increasing their share in the Central Taxes from 32 to 42 per cent;

b) if so, the details of the said schemes/programmes discontinued as on date;

c) the details of the share allocated by the government as per the revised allocation during the last three years and the current year, State/UT-wise;

d) whether several States/UTs are still unable to implement the said programmes without Central support, if so, the details thereof and reasons therefor; and

e) whether the Government is likely to start new programmes/schemes by replacing the discontinued/old schemes, if so, the details thereof along with the benefits likely to accrue by introduction of such programmes/schemes?

Answer

(a & b) The Fourteenth Finance Commission (FFC) recommended enhancement in the share of the States in the divisible pool of Central Taxes and Duties from 32% to 42% for its award period 2015-20, which was accepted by the Union Government. In view of acceptance of the FFC recommendations of increased devolution of Central taxes to States, the following Centrally Sponsored Schemes (CSS) were delinked from Union support w.e.f. 2015-16 BE:
i) National e-Governance Action Plan (NeGAP)
ii) Backward Regions Grant Funds
iii) Modernisation of Police Forces
iv) Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA)
v) Scheme for setting up of 6000 Model Schools at Block Level as Bench Mark of Excellence
vi) Scheme for Central Assistance to the States for developing export infrastructure and other allied activities
vii) National Mission on Food Processing
viii) Tourist Infrastructure

(c) Revised States' share of 42% in divisible pool of Central Taxes and Duties is applicable for the award period of FFC, i.e. 2015-16 to 2019-20. The details of States' share released/ allocated during 2015-16 to 2017-18 are at Annex.

(d) The substantial increase in tax devolution and grant-in-aid recommended by FFC is a major step in the process of transferring more resources to the States in the nature of untied and unconditional funds to allow the states greater autonomy in financing and designing schemes as per their needs and requirements. The State may inter-se prioritize the projects including those under the delinked CSS for the development of the State.

(e) The Union Government has rationalized the existing 66 CSS into 28 Umbrella Schemes for the sectors identified under National Development Agenda. Of these 28 Schemes, 6 schemes have been categorized as Core of the Core Schemes, which are legislatively backed or are designed to subserve the vulnerable sections of population. The funding pattern has remained unchanged for Core of the Core schemes. 22 Schemes have been retained and classified as Core schemes with changed funding pattern of 60:40 between the Centre and the States (90:10 for the 8 North-Eastern and 3 Himalayan States). One of the delinked Scheme, "Modernisation of Police Forces" has now been retained as one of the 22 Core Schemes. Further, another delinked CSS of Rajiv Gandhi Panchayat Sashaktikaran Abhiyaan (RGPSA) is being implemented as Central Sector scheme of 'Capacity Building-Panchayat Sashaktikaran Abhiyaan".